

# Senate File 567 - Introduced

SENATE FILE \_\_\_\_\_  
BY ANGELO

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act making appropriations to reimburse local jurisdictions for  
2 certain property tax credits and including an effective date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 2219XS 82  
5 mg/es/88

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1 1 Section 1. PROPERTY TAX CREDIT REIMBURSEMENT  
1 2 APPROPRIATIONS. Notwithstanding the amount of the standing  
1 3 appropriation from the general fund of the state in the  
1 4 following designated sections, there is appropriated from the  
1 5 general fund of the state in lieu of the appropriation in the  
1 6 following designated sections for the fiscal year beginning  
1 7 July 1, 2007, and ending June 30, 2008, the following amounts  
1 8 for the following designated purposes:  
1 9 1. For reimbursement for the homestead property tax credit  
1 10 under section 425.1:  
1 11 ..... \$133,900,000  
1 12 2. For reimbursement for the agricultural land tax credit  
1 13 under section 426.1:  
1 14 ..... \$113,369,000  
1 15 3. For reimbursement for the family farm tax credit under  
1 16 section 425A.1:  
1 17 ..... \$ 55,000,000  
1 18 4. For reimbursement for the military service tax credit  
1 19 under section 426A.1A:  
1 20 ..... \$ 10,494,000  
1 21 Notwithstanding section 426A.2, the amount of military  
1 22 service tax credit for which the state shall reimburse local  
1 23 jurisdictions shall equal, to the extent of the appropriation  
1 24 made in this subsection, the amount of the property taxes  
1 25 which would be due on the properties eligible for the military  
1 26 service tax exemption.  
1 27 5. For implementing the elderly and disabled tax credit  
1 28 and reimbursement pursuant to sections 425.16 through 425.39:  
1 29 ..... \$ 20,900,000  
1 30 If the director of revenue determines that the amount of  
1 31 claims for credit for property taxes due plus the amount of  
1 32 claims for reimbursement for rent constituting property taxes  
1 33 paid which are to be paid during the fiscal year may exceed  
1 34 the amount appropriated, the director shall estimate the  
1 35 percentage of the credits and reimbursements which will be  
2 1 funded by the appropriation. The county treasurer shall  
2 2 notify the director of the amount of property tax credits  
2 3 claimed by June 8, 2007. The director shall estimate the  
2 4 percentage of the property tax credit and rent reimbursement  
2 5 claims that will be funded by the appropriation and notify the  
2 6 county treasurer of the percentage estimate by June 15, 2007.  
2 7 The estimated percentage shall be used in computing for each  
2 8 claim the amount of property tax credit and reimbursement for  
2 9 rent constituting property taxes paid for that fiscal year.  
2 10 If the director overestimates the percentage of funding,  
2 11 claims for reimbursement for rent constituting property taxes  
2 12 paid shall be paid until they can no longer be paid at the  
2 13 estimated percentage of funding. Rent reimbursement claims  
2 14 filed after that point in time shall receive priority and  
2 15 shall be paid in the following fiscal year. If the director  
2 16 underestimates the percentage of funding, the overage shall  
2 17 remain in the fund established in section 425.39 for payments  
2 18 to be made in the next fiscal year.  
2 19 Sec. 2. EFFECTIVE DATE. This Act, being deemed of  
2 20 immediate importance, takes effect upon enactment.

EXPLANATION

2 21  
2 22 This bill makes specific dollar amount appropriations in  
2 23 lieu of the standing appropriations in the Code for  
2 24 reimbursements to local jurisdictions for certain property tax  
2 25 credits. The appropriations in the bill are for FY 2007=2008.  
2 26 The property tax credit reimbursements are those for the  
2 27 homestead tax credit, the agricultural land tax credit, family  
2 28 farm tax credit, military service tax credit, and the elderly  
2 29 and disabled tax credit and reimbursement.  
2 30 The bill takes effect upon enactment.  
2 31 LSB 2219XS 82  
2 32 mg:rj/es/88